

Pre-Appeal Brief Request for Review  
Application No. 09/461336  
Attorney Docket No. 038100-0313722

## IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

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In re PATENT APPLICATION of:  
Dazhi CHEN *et al.*

Confirmation Number: 3675

AUG 29 2005

Application No.: 09/461,336

Group Art Unit: 3627

Filed: December 15, 1999

Examiner: Steven B. McAllister

Title: SYSTEM AND METHOD FOR ALLOWING EXCESS CAPACITY FOR RESTAURANTS AND OTHER INDUSTRIES DURING OFF-PEAK OR OTHER TIMES

Mail Stop AF  
Commissioner for Patents  
P.O. Box 1450  
Alexandria, VA 22313-1450

**PRE-APPEAL BRIEF REQUEST FOR REVIEW**

Sir:

In response to the Final Office Action mailed April 27, 2005, Applicant requests review of the final rejection in the above-identified application. This request is being concurrently filed with a Notice of Appeal. The review is requested for the reasons provided in the Remarks beginning on page 2 of this paper. A total of 5 pages are provided.

It is not believed that extensions of time or fees for net addition of claims are required beyond those that may otherwise be provided for in documents accompanying this paper. However, if additional extensions of time are necessary to prevent abandonment of this application, then such extensions of time are hereby petitioned for under 37 C.F.R. § 1.136(a), and any fees required therefore (including fees for net addition of claims) are hereby authorized to be charged to our Deposit Account No. 033975 (*Ref. No. 038100-0313722*).

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Claims 1-5, 9, 10, 14, 15, 23, 29-40, 42, 44, 45, 49, 50, 58, 64-71, 73, 74, 77-81, 84, 85, 87, 88, 91-97, 100, 102, 104, 105, 108-112, 115, 116, 118, 119, 122-128, 131, and 133-148 stand rejected under 35 U.S.C. §103(a) as allegedly being unpatentable over Barzilai et al. U.S. Patent 6,012,045 ("Barzilai") in view of Leonard et al., U.S. Patent 5,903,874 ("Leonard"). Applicants traverse the rejection on at least the following basis.

The present invention is directed generally to a system and method for reducing excess capacity during non-peak periods by enabling businesses to auction items (e.g., gift certificates with fixed value) redeemable for a fixed price service during a non-peak period. Users may bid on the items (e.g. bid \$30 for a \$50 gift certificate). The difference between a winning bid (e.g., \$30) and the value of the certificate (or other item) represents a valuable discount. This enables businesses (e.g. a restaurant) to generate more revenue by attracting more customers during non-peak periods *without lowering the predetermined prices for everyone during the non-peak period*. See, e.g., Specification, pg. 14, lines 1-8. Barzilai simply discloses a generic auction system which offers specific goods and services for a variable amount based on a winning bid. See col. 2 lines 44-54. Leonard discloses a long distance operator using a central database for validating coupons having *fixed* discounts for long distance telecommunication services for remotely located customer. See Leonard, col. 1 lines 55-64.

Applicants respectfully submit that the Examiner has failed to establish a *prima facie* case of obviousness against the claims listed above for *at least* the reasons that (1) the Examiner relies on non-analogous art for the rejection of the above listed claims; (2) assuming *arguendo* that the art is not deemed non-analogous, there is no legally proper teaching, suggestion, or motivation to modify Barzilai to include the teachings of Leonard; (3) assuming Barzilai and Leonard could be combined, they still fail to disclose, teach, or suggest all of the claim elements; and (4) the Examiner fails to provide evidentiary support for Official Notice.

1. Barzilai and Leonard are Non-Analogous Art.

Neither Barzilai nor Leonard are within the relevant field of the endeavor. The inventor's field of endeavor relates *at least* to reducing excess capacity for restaurants (e.g., empty seats) and other businesses during off-peak periods. See Specification, pg. 1, lines 6-7. Barzilai is directed generally to a computer-based method for selling and purchasing specific products and services via an electronic auction system. See Barzilai, col. 1, lines 6-10. Leonard is directed

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primarily to the field of electronic management and remote validation of promotional coupons for long distance telecommunications from remotely located customers. See Leonard, col. 1, lines 6-12. These fields of endeavor are not within the inventor's field of endeavor.

Nor are the references reasonably pertinent to the particular problem(s) with which Applicants were involved. These problems, include, *at least*: managing excess capacity and lost revenues during off-peak times without lowering the prices for everybody during off-peak periods. See Applicants' Specification, pg. 1, lines 10-23. Barzilai is concerned with the problems solved by generally providing an electronic bid, auction, and sale system. See Barzilai, col. 1, lines 47-50. Leonard is concerned with the inability of a remote long distance telecommunications operator to validate and process a customer's printed coupon. See Leonard, col. 1, lines 33-55. Neither are reasonably pertinent to the particular problem(s) with which Appellants were involved. The record is devoid of any evidence to the contrary.

2. There is no proper teaching, suggestion, or motivation to modify Barzilai to include Leonard.

Assuming *arguendo* that Barzilai and Leonard qualify as analogous art, there is no legally proper teaching, suggestion, or motivation to modify Barzilai to include the teachings of Leonard. As argued in the Applicant's Reply dated August 12, 2004, on pg. 29, ¶ 4- pg. 30, ¶ 4, the Examiner provides no proper suggestion or motivation to combine the two references. In fact, the combination constitutes impermissible hindsight. Moreover, the references teach away from the combination because Barzilai discloses a user having to bid and win an auction in order to obtain goods or services offered at variable price based on the winning bid (see Barzilai, col. 2, lines 47-50). Leonard discloses a user obtaining goods or services, less some *fixed discount* based on coupon amount (see Leonard, col. 2, lines 9-10). As is typical with telecommunication companies, Leonard can offer a first price at peak times or a second price for non-peak times. An auction is a mechanism for establishing a dynamic purchase price for a unique product for a single winner. A coupon may be a predetermined fixed discount off an established purchase price for many users. Coupons work to encourage more sales of the *same* product to different customers. Each auction item is unique and there is one winner at a variable price. It is nonsensical to offer a discount coupon for a single auctioned item. The Examiner has failed to

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present evidence either within the references themselves or in the knowledge generally available to one of ordinary skill in the art to properly combine the references.

3. The references fail to disclose, teach, or suggest all of the claim elements.

Assuming *arguendo* that Barzilai and Leonard could be combined, the combined references fail to disclose, teach, or suggest all of the elements of the claims. Independent claim 1 recites, among other things, the claim feature of, "whereby the winner of the item obtains a discount from the predetermined price." Independent claims 36, 71, 103, 133, and 153 recite similar features. The Examiner admits in the Final Office Action mailed April 27, 2005, on pg. 2, ¶ 5 that "Barzilai et al do not teach that the item is for a discount from a predetermined price." The Examiner attempts to rely on Leonard to teach the deficiencies of Barzilai. Leonard discloses a user obtaining goods and services using a coupon. Leonard, however, fails to disclose bidding for the coupon or that the service is at a predetermined price. As stated in the Reply dated August 12, 2004, on pg. 28 ¶ 1- ¶ 6, Leonard's system may offer a promotional coupon (presumably for the same discount amount for each customer) to *any* new customer that is willing to try a particular promoted good or service (*see* Leonard, col. 1, lines 14-18). There is no "winner" in Leonard, as there is no bidding for the coupons.

Independent claim 1 also recites, "wherein the item is redeemable for the service from a corresponding one of the one or more businesses during the non-peak demand period...winner of the item obtains a discount from the predetermined price during the non-peak demand period.." Independent claims 36, 71, 103, 133, and 153 recite similar features. Businesses that offer a services at a predetermined price experience peak and off peak demand periods. Barzilai offers goods and services at variable prices based on winning auction bids. Leonard offers fixed discounts on goods and services offered at different prices during peak and off peak times. Neither discloses auctioning items (e.g., gift certificates) that are variable discounts off a predetermined *fixed* price, but that are valued only during an off peak demand period. As a result, Barzilai and Leonard, alone or in combination, fail to teach or suggest all of the claim features.

In addition, as clearly claimed in claim 3, the item for auction is a dining certificate for use at a restaurant wherein the dining certificate has a redemption amount. The features of this

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claim are allowable for at least the reasons that neither Barzilai nor Leonard auction certificates having a redemption amount, and for which the user bids a variable amount.

4. Examiner fails to provide evidentiary support for Official Notice.

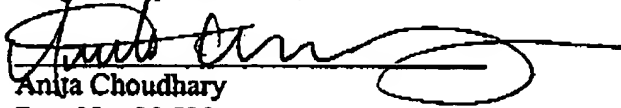
In the Final Action, the Examiner takes Official Notice that certain dependent claim features are old and well known. See Final Action, pg. 3, ¶ 3 and ¶ 6; pg. 4, ¶ 3, ¶ 5, ¶ 6; pg. 5, ¶ 1-¶ 3. Appellants traverse the Examiner's invocation of Official Notice. The Examiner's assertions with regard to the dependent claims are made without any evidentiary support. Particularly, the Examiner has failed to establish that the claim features are known in the context of a method for using a web-site for reducing excess capacity during non-peak demand periods disclosed and claimed by Appellants. If the rejection is maintained, Appellants request that the Examiner provide documentary evidence to support such allegations.

The remaining pending claims have been rejecting under 35 U.S.C. §103(a) over Barzilai et al. and Leonard et al. as applied to claims 1, 36, 71 and 102 above, and further in view of Levin et al. (U.S. 6,434,556), Fisher et al. (U.S. 6,243,691) or Boe et al. (U.S. 6,236,975). Applicants submit that at least none of these additional references remedy the deficiencies of Barzilai and Leonard, addressed above.

If, for any reason, a personal communication will expedite prosecution of this application, the Examiner is invited to telephone the undersigned at the number provided.

Date: August 29, 2005

Respectfully submitted,

  
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